VZCZCXRO0669 OO RUEHBZ RUEHDU RUEHMR RUEHRN DE RUEHSB #0288/01 0961530 ZNY CCCCC ZZH O 061530Z APR 09 FM AMEMBASSY HARARE TO RUEHC/SECSTATE WASHDC IMMEDIATE 4336 INFO RUCNSAD/SOUTHERN AF DEVELOPMENT COMMUNITY COLLECTIVE RUEHAR/AMEMBASSY ACCRA 2764 RUEHDS/AMEMBASSY ADDIS ABABA 2886 RUEHRL/AMEMBASSY BERLIN 1332 RUEHBY/AMEMBASSY CANBERRA 2151 RUEHDK/AMEMBASSY DAKAR 2507 RUEHKM/AMEMBASSY KAMPALA 2934 RUEHNR/AMEMBASSY NAIROBI 5375 RUEAIIA/CIA WASHDC RUZEJAA/JAC MOLESWORTH RAF MOLESWORTH UK RHMFISS/EUCOM POLAD VAIHINGEN GE RHEFDIA/DIA WASHDC RUEHGV/USMISSION GENEVA 2053 RHEHAAA/NSC WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 HARARE 000288

SIPDIS

AF/S FOR B. WALCH
DRL FOR N. WILETT
ADDIS ABABA FOR USAU
ADDIS ABABA FOR ACSS
STATE PASS TO USAID FOR J. HARMON AND L. DOBBINS
STATE PASS TO NSC FOR SENIOR AFRICA DIRECTOR MICHELLE GAVIN

E.O. 12958: DECL: 04/06/2019 TAGS: <u>PGOV PREL ASEC PHUM ZI</u>

SUBJECT: LACK OF FUNDS LEAD TO ZIM PARLIAMENTARY RECESS

REF: A. HARARE 281

_B. HARARE 264

Classified By: Ambassador James D. McGee for reason 1.4 (d)

SUMMARY

¶1. (SBU) Parliament has announced it will adjourn until May ¶12. This is due to a lack of funds to pay MPs housing and travel allowances while Parliament is in session. Separately, Reserve Bank of Zimbabwe (RBZ) governor Gideon Gono's recent offer to give MPs secondhand central bank vehicles is causing a furor with Finance Minister Tendai Biti who continues to challenge the bank's quasi-fiscal activities. END SUMMARY.

No Funds for Parliament, But Gono Offers Cars

- ¶2. (C) After several weeks of Parliamentary activity, including creating portfolio committees and scrutinizing the activities of government ministries (reftels), Zimbabwe's House of Assembly (HOA) announced it would adjourn until May ¶12. Israel Chilimanzi, a legislative advisor and training consultant with close ties to MPs, told poloff on April 6 that the long delay was primarily due to lack of funds available to pay hotel and fuel allowances while in Harare. MPs have not been receiving these allowances since Parliament resumed in January, and have been funding their travel out of their own pockets.
- 13. (SBU) The lack of allowances has become a bone of contention with MPs and was raised during question time on March 25. An MP asked Eric Matinenga, the Minister of Constitutional and Parliamentary Affairs (MDC-T), when Parliament would receive their allowances. Matinenga responded that MPs were serving their nation and should not view their seat in Parliament as a job. MPs interpreted this

to mean that they would not be receiving funds any time soon, and many MPs were vocal in their displeasure.

14. (C) Another controversy has recently emerged surrounding vehicles for parliamentarians. Under the standing rules and orders of Parliament, MPs are entitled to receive a vehicle for transport between their home district and Harare. In the past this has typically been a twin cab Isuzu 4x4 truck, capable of handling rural roads. However, Minister of Finance, Tendai Biti (MDC-T) has made clear that his ministry does not have the funds to buy new vehicles. Reserve Bank Governor Gideon Gono has offered to give MPs used central bank vehicles, triggering another conflict between Biti and Gono and leading Biti to state that Gono has no business "engaging in quasi-fiscal activities." MDC-T chief whip, Innocent Gonese, told Chilimanzi that the RBZ had enough vehicles to give all 314 members of the HOA and Senate vehicles.

COMMENT

15. (C) Parliament's adjournment is unfortunate given what is expected to be a heavy legislative and reform workload for the MDC-led body. However, the delay is not altogether unexpected as many MPs have limited personal resources, and Qunexpected as many MPs have limited personal resources, and seasonally Parliament often recesses this time of year due to holidays and the end of the school term. It also does not mean that Parliament's work will come to a halt, as there are

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several legislative workshops involving dozens of MPs and administrative staff taking place in the next couple of weeks.

16. (C) Potentially more disturbing is Gono's offer to distribute cars to MPs, an offer that came just days before a motion to debate the role of the RBZ was to have occurred in Parliament. END COMMENT.

MCGEE